



U.S. Small Business Administration New Hampshire District Office

FY 2005 Annual Report

Dear Friends,

For the fifth consecutive year, SBA hit an all-time record in providing SBA backed loans nationally. The agency has more than doubled its loan volume since fiscal year 2000, with nearly 100,000 loans approved for \$19 billion dollars in fiscal year 2005. New Hampshire small businesses received over 1,200 SBA backed loans this year totaling over \$159 million. We could not achieve this success without the help of our lending partners and I want to thank each of them for continuing to support our loan programs for the benefit of our state's small business community. Special recognition goes out to Citizens Bank for continuing to be the #1 SBA lender in the state and Granite State Economic Development Corporation for continuing to be the most active certified development company in New Hampshire.

Nationally, the SBA's resource partners provided millions of entrepreneurs with business counseling and technical assistance. Locally, over 6,595 New Hampshire entrepreneurs were recipients of these services. From the basic business skills of pre-business planning, marketing, and financing to more specific topics like identity theft and how to protect your business, a wealth of information supported by one-on-one business counseling was made available to our small business community. The members of SCORE Counselors to America's Small Business, the staff at the NH Small Business Development Center and the team at the Women's Business Center should be congratulated for their efforts. I would like to personally thank Mary Collins and her staff at the NH Small Business Development Center, Jim Helm and all of the SCORE volunteers, and Ellen Feinberg and her staff at the Women's Business Center. Together they provide statewide access of their services and give NH small businesses the hands on assistance necessary to start or grow. I would also like to thank the NH Attorney General's Office, the US Postal Inspector, the NH Banking Commissioner and Consumer Credit Counseling of NH/VT for their role in our identity theft sessions. Five informative sessions were held and valuable information was provided to over 140 attendees.

FY 2005 was a year for milestones. Both the NHSBDC and the WBC celebrated significant birthdays this year. The NH Small Business Development Center celebrated their 20th anniversary with a gala reception in October of 2004. The NHSBDC, through their state-wide network, provides a wide range of services and information to hundreds of business owners each year. Congratulations to the NHSBDC for 20 years of providing an invaluable service to NH small businesses! The WBC celebrated its 10th anniversary this year. The WBC provides educational programming, advocacy, networking, counseling, and mentoring to its nearly 400 members. They recently unveiled their Women's Business Directory with over 250 women owned businesses listed. The directory is the first of its kind in New Hampshire. Congratulations on 10 years of outstanding service to women entrepreneurs!

We continue to have a representative of our office on the small business committee of the Northeast Council's Matchmaker High Performance Team. This group consists of representatives from prime contractors, federal agencies and PTACs from all over the northeast. They work together to bring matchmaker events to various parts of the region. Recently, they began to develop a one-day training program for small businesses on various aspects of federal contracting. They plan to offer this program before their matchmaker events over the next year. This year NH companies participated in four events around the region which resulted in 443 appointments. I personally would like to thank Brad Martin and Martha Keene from the NH Procurement Technical Assistance Center for their efforts to provide contracting assistance to NH small businesses.

Our annual small business luncheon was a great success with a total of nine award winners. Thanks to all of the nominators, nominees and attendees for taking the time to participate in this important event. Chamber of Commerce business expos continue to provide us with a great outreach opportunity and we will continue to exhibit at these events. We look forward to working with the chambers and other economic development groups around the state to inform and educate the public about the SBA programs and services.

Our office has always been well known for the dedication and hard work of its employees. They have always met the challenge and continue to do more with less. I appreciate their efforts and want to extend my thanks to each of them personally. Special recognition goes to Wit Jones, Amy Bassett, Alice Zachos, Rachael Roderick, Lillian Evans, Bob Welch, Warren Haggerty, Claire Rousseau, and Miguel Moralez for all of their accomplishments. Miguel is our most recent addition and became a permanent member of our team this year. He has been a great asset to us. Our team looks forward to another banner year in FY 2006.



(L – R): Amy Bassett, Claire Rousseau, Rachael Roderick, Miguel Moralez, Bill Phillips, Bob Welch, Alice Zachos, Lillian Evans, Wit Jones, Warren Haggerty

Our region was fortunate to welcome a new Regional Administrator who has first hand knowledge of the issues that small businesses face. Charles E. Summers, Jr. was sworn in as Regional Administrator for New England on March 7, 2005. Charlie's prior experience includes being the state director for Sen. Olympia Snowe, serving as a representative in the Maine state legislature and managing and owning several small businesses. We welcome Charlie and look forward to working together.

In a state the size of New Hampshire, federal agencies work hand in hand with the congressional and state offices to benefit the small business community. We continue to have a great working relationship with Senators Gregg and Sununu and Congressmen Bass and Bradley's offices as well as the governor's office and state agencies. We appreciate Governor Lynch's participation at our events and support of our programs and we thank the Department of Resources and Economic Development for their cooperation. SBA and DRED promote the programs and services of each organization and participate in events offering a wide variety of assistance to the small business owner. We thank them for their interest in SBA programs and services and value their support.

Please feel free to call on us if we can be of assistance. Thank you for your support in FY 2005 and we look forward to working together with you this year in any way we can.

Sincerely,



William K. Phillips
District Director

U.S Small Business Administration
J.C. Cleveland Federal Building
55 Pleasant Street – Suite 3101
Concord, NH 03301
www.sba.gov/nh

Main Number (603) 225-1400

Amy Bassett	(603) 225-1606	William Phillips	(603) 225-1401
Lillian Evans	(603) 225-1602	Rachael Roderick	(603) 225-1603
Warren Haggerty	(603) 225-1405	Claire Rousseau	(603) 225-1404
Witmer Jones	(603) 225-1408	Robert Welch	(603) 225-1406
Miguel Moralez	(603) 225-1601	Alice Zachos	(603) 225-1607

FY 2005 ACCOMPLISHMENTS

Lending in New Hampshire for Fiscal Year 2005 increased by over \$7,000,000 compared to last fiscal year.

In Fiscal Year 2005 sixty-one lenders approved 1,232 loans for over \$159,000,000 in New Hampshire,

Top 5 SBA Lenders in NH	Number of loans
Citizens Bank	555
TD Banknorth, NA	111
Bank of America	80
Berlin City Bank (now Northway Bank)	72
Ocean National Bank	69
Certified Development Company (504 loan program)	
Granite State Economic Development Corp.	140
Capital Regional Development Council	23
Northern Community Investment Corp.	6

Of the 1,232 loans approved 1,063 were 7(a) loans and 169 were 504 loans. The 7(a) loan program includes SBA express loans.

These loans are made by banks and approved non-bank lenders. 504 loans are made by Certified Development Corporations and are used by small businesses to finance major fixed assets such as land and buildings.

The following is a recap of FY 2005 lending activity

Total 7(a) and 504 loans	1,232
Loans to startup businesses	345
Loans to minority owned businesses	52
Loans to women owned businesses	272
Loans to rural businesses	263
Loans to veteran owned businesses	62
Loans to exporters	41

Our congratulations go to all our participating lenders who make our loan programs work and provide much needed capital to New Hampshire small business.



(L – R): Jan Barker, Bill Phillips, Ellen Fineberg, Charlie Summers Jr., Kathleen Reardon, Laura Leber, Kathleen Soldatii

The Women's Business Center Celebrates 10 Years and Going Strong

The Women's Business Center, (WBC) established in 1995, grew out of a series of seminars (The Papoutsy Seminar for Women) held in the 1990s to help women start their own businesses. In 1997, the WBC became one of the U.S. Small Business Administration's Office of Women's Business Ownership funded centers. Women's Business Centers represent a national network of more than 90 educational centers designed to assist women start and grow small businesses. The WBCs operate with the mission to level the playing field to entrepreneurs, who still face unique obstacles in the world of business. Over the decade, the WBC has assisted thousands of entrepreneurs accomplish their dream of owning a successful business.

WBC 2005 Highlights

- Citizens Bank/Wmur-TV Community Champion for the first quarter of 2005
- Fundraising auction attracted 125 people
- Third annual NH WomenBiz Luncheon and Showcase, over 200 attendees
- Over 1,200 women participated in WBC courses, WomenBiz Roundtables, counseling and special events
- WomenBiz Directory, a statewide listing of women's firms
- **New** Programs – Trading Up, First Steps Business Primer, Next Steps
- **Free** WomenBiz Roundtables in Portsmouth, Manchester, Concord and Peterborough

- Linda Lin, WBC Board member and entrepreneur, recognized as SBA's Women in Business Champion of the Year
- Lisa Destefano, former WBC client and architecture firm owner, selected as Women Business Owner of the Year
- *New* Flourish Jewelry-handcrafted silver and pearl pin, pendant and earrings

At every stage of developing and expanding a business, the Women's Business Center is there to counsel, teach, encourage and inspire. For more information about WBC services that help women succeed in business, go online at www.womenbiz.org.

We want to thank Ellen Fineberg - Executive Director, Gina Savinelli - Business Development Manager and Shannon Hill - Client Services Manager for their outstanding performance and commitment to New Hampshire's small business community. Our congratulations to the WBC on their 10 years of helping women business owners flourish.



Governor Lynch joins SBA District Director, Bill Phillips, and SBDC State Director, Mary Collins, at the SBA Awards luncheon.

NH Small Business Development Center celebrates 20 years of service

The NH SBDC celebrated their 20th anniversary in October 2004. In the past 20 years they have provided management counseling services to more than 19,000 businesses representing 66,000 jobs and trained more than 37,000 entrepreneurs. They also established the "Circle of Friends Annual Fund." The fund was established to raise funds to directly support the programs and counseling that the NH SBDC provides.

The NH SBDC is the key link to business assistance in New Hampshire and to programs offered through the University System, the State of New Hampshire, the U.S. Small Business Administration and the private sector. The NH SBDC provides confidential, one-on-one business management counseling and low-cost training seminars to New Hampshire's small businesses. Services are delivered through five regional offices across the state.

In FY 2005 the NH SBDC counseled and trained 2,221 clients. The five regional offices are located in Manchester, Rochester, Keene, Nashua and Littleton. The NH SBDC also provides specialized training and counseling in the areas of environmental compliance assistance and manufacturing management. They continue to provide additional assistance to bolster and encourage NH's high-tech industry. The Office of Economic Initiatives continues to promote state-of-the-art research demonstration projects in economic development.

In January of 2005 Gary Oden joined the staff of the NH SBDC. Gary is the regional manager in the Keene office. Gary has over twenty years of experience in the high tech industry. He is providing counseling and training to entrepreneurs in the greater Keene area. In October of 2005 Liz Ward, North Country regional manager, left the NH SBDC to begin a career in the banking industry. Liz worked for

the NH SBDC for 10 years. The SBA would like to welcome Gary and wishes Liz well in her new endeavors.

SBA would like to thank the NH SBDC for their invaluable service to NH's small business community. You can visit the SBDC online at www.nhsbdc.org.



Harold Moldoff, SCORE Marketing Director, addresses the crowd at an event honoring Senator Sununu.

SCORE, 40 Plus Years of Volunteer Service

For over 40 years, SCORE, Counselors to America's Small Business, has provided entrepreneurs with free, confidential face-to-face and online business counseling. Each year, SCORE volunteers donate more than 1 million hours to operate SCORE chapter offices and serve entrepreneurs. Counseling and workshops are offered at 389 chapter offices nationwide with a network of nearly 11,000 retired and working volunteers. These experienced entrepreneurs provide business counseling and advice as a public service to all types of businesses and in all stages of development.

Last year, NH SCORE announced the opening of two branches in addition to the six active chapters, a true indication of successful community outreach. A total of 179 counselors provided aspiring entrepreneurs and small business owners with practical real world advice from SCORE locations in Manchester, Portsmouth, Keene, Concord, Conway, Lebanon, Nashua and Gilford. Call your local SCORE Chapter, for more information, or check the SCORE NH website at www.score.org.

In FY 2005, NH SCORE counselors donated 9,015 hours of their time and expertise to help small businesses start, grow and compete in today's business climate. Many of these hours were spent counseling clients--there were 1,142 new clients, 815 repeat clients and 298 e-mail clients. SCORE volunteers dedicated 3,979 hours to counseling and another 5,036 hours in non-counseling chapter support activities. The SCORE chapters conducted 74 training seminars, attracting 743 attendees.

This year, NH SCORE is pleased to announce that 5 of the NH SCORE locations have established web-sites, they are; Lebanon www.uppervalleysscore.org, Portsmouth www.scorehelp.org, Manchester www.score-manchester.org, Center Conway www.score641.org, and Gilford www.scorelakesregion.org

Our heartfelt thanks and congratulations to all New Hampshire SCORE volunteers!

Government Contracting in New Hampshire

In FY 2005, New Hampshire small business participated in a variety of training and matchmaker events. We offered workshops on the SBA government contracting assistance programs, the HUBZone program, and selling to the government at various locations around the state. We have a great partnership with the NH Procurement Technical Assistance Center (NH-PTAC) and they participated in some of these workshops and continue to offer a tremendous resource to small businesses interested or active in government contracting. Our office is also involved with the Northeast Council's Matchmaker High Performance Team which is comprised of various government agencies, prime contractors and PTACs from the Northeast area. This team organizes various matchmaker events through the region and will soon be offering a small business training program the day before the matchmaker event. New Hampshire small businesses received 443 matchmaker appointments with both federal agencies and prime contractors at 4 different matchmaker events in the New England region. We would like to thank the PTAC and the member of the NE Council High Performance Team for their efforts and look forward to another year of great accomplishments. For more information on the NH PTAC, please visit their website at www.nheconomy.com/ptac.

FY 2005 Small Business Award Winners:

William F. Whyte, CEO, W.S. Badger Company, Inc., Gilsum, was named the NH SBA's **"2005 Small Business Person of the Year."** In 1993, Whyte, a carpenter by trade, created a healing balm to cure dry, cracked hands. Whyte initially distributed the product to area hardware stores, but he quickly realized there was a much bigger market for his product.

Whyte increased distribution and also expanded his product line and entered into an entirely new area; aromatherapy, cosmetics and personal care. Today Badger products consist of more than 30 balms, potions and natural remedies. Badger recently introduced a line of all natural soaps and body butters. Badger's distribution now includes all of the states as well as several international markets.

Badger presently has over 30 employees and each day they all take lunch break together and enjoy a company provided wholesome meal. In the summer months they also enjoy a "serious" game of "full contact" badminton during their lunch break.

Although sales in 2004 topped \$3 million, success has not gone to Whyte's head. He still laughs at his mistakes and hopes to keep Badger growing while maintaining a family atmosphere and simple values.

The NH SBA had a National award winner.

Polyonics, of Westmoreland, was named the SBA's **"2005 Exporter of the Year."** Polyonics won the award for NH and also captured the regional and national award as well. Polyonics develops, manufactures and sells label materials for use in bar code applications. Today, the company employs 25 and has become a global leader in label and barcode technology.

The NH SBA had a Regional award winner.

Creative Optics, of Bedford, was named SBA's **"2005 Region I Prime Contractor of the Year."** Dr. John F. Ebersole founded Creative Optics in 1982 and serves as president and principal scientist. Creative Optics is a family-run business. Dr. Ebersole's wife of 37 years, Ingrid, and his son John, Jr. serve as vice president and chief technology officer, respectively. The company is a research and development "think tank" and continually reinvents

itself by bringing breakthrough solutions using state-of-the-art technology from the R&D stages through to implementation.

Lisa DeStefano, founder of DeStefano Architects in Portsmouth, was named the first ever NH SBA's **"2005 Woman Business Owner of the Year."** DeStefano founded DeStefano Architects in 1995 and has since grown it into a 10-person firm with over a million dollars in annual revenue. Recent commercial work in downtown Portsmouth includes the luxury Porter Street Townhouses, the expansion and renovation of the Portsmouth Gaslight Company, and the multi-use 28 Deer Street building. DeStefano Architects also designed Portsmouth's largest commercial project, the Hilton Garden Inn, which broke ground in *March 2005*.

Peter and Leslie Van Berkum, co-owners of Van Berkum Nursery in Deerfield, were named the NH SBA's **"Jeffrey H. Butland Family Owned Business of the Year"** for 2005. Jeff Butland was the Region I, Regional Administrator for the SBA who passed away suddenly in August of 2004. Butland was a strong advocate of family owned businesses, such as Van Berkum Nursery. The nursery is a wholesale perennial nursery selling over 800 varieties of plants to retail nurseries and landscaping contractors. The Van Berkum's started their business in 1987 and in 1989 re-located to Deerfield and situated the nursery on 22 scenic acres.

Deborah Anderton, Vice President, The Berlin City Bank was named the NH SBA's **"2005 Financial Services Champion of the Year."** Anderton has served as a lender and mentor to North Country entrepreneurs for the past 20 years. She has shown a true commitment to community banking in every sense of the word.

Linda Lin, founder of Butternut Design, of Bedford was named the NH SBA's **"2005 Women in Business Champion of the Year."** Butternut Design, founded in 1996, provides customized business and computer consulting services to help clients improve their profitability and productivity through traini

Lewis M. Roch III, of North Hampton, was named the SBA's **"2005 SCORE Counselor of the Year."** Roch volunteers with the seacoast chapter in Portsmouth. Three years ago Roch read an article in the local paper featuring the Portsmouth SCORE Chapter. The article inspired him to get involved and he has gone full steam ahead since that time. He is being recognized for his service and the tremendous entrepreneurial spirit that he willingly shares with both his clients and fellow SCORE volunteers.



(L – R): Leslie van Berkum, Peter van Berkum, Dr. John Ebersole, Linda Lin, Lewis Roch, III, Lisa DeStefano, Dr. James Williams, Bill Whyte, Steve Bollander, Deborah Anderton